

VZCZCXRO6239

RR RUEHBZ RUEHGI RUEHJO RUEHMA RUEHMR RUEHPA RUEHRN RUEHTRO
DE RUEHAN #0753/01 3061401
ZNR UUUUU ZZH
R 021401Z NOV 09
FM AMEMBASSY ANTANANARIVO
TO RUEHC/SECSTATE WASHDC 2976
INFO RUEHZO/AFRICAN UNION COLLECTIVE
RHMFSS/CDR USAFRICOM STUTTGART GE
RUEAIIA/CIA WASHDC
RUCPDOC/DEPT OF COMMERCE WASHDC
RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS SECTION 01 OF 02 ANTANANARIVO 000753

SENSITIVE
SIPDIS

DEPARTMENT FOR AF/E MARIA BEYZEROV AND FOR OES/ENV
DOC FOR RTELCHIN
TREASURY FOR FBOYE
PARIS FOR WBAIN
LONDON FOR PLORD

E.O. 12958: N/A

TAGS: PGOV PREL ECON MA

SUBJECT: ANTANANARIVO POL/ECON WEEKLY UPDATE (11/02/2009)

REF: A) ANTANANARIVO 710, B) ANTANANARIVO 707, C) ANTANANARIVO 701

¶11. (U) SUMMARY: This is U.S. Embassy Antananarivo's Weekly Update for October 19 to November 2, an unclassified review of major political, economic, and commercial events and information from the U.S. Mission to Madagascar and the Comoros.

POLITICAL (Paragraphs 2-6)

- Negotiations in Addis Ababa
- Election Support
- Competing Prime Ministers - Old, New, And Interim
- Prisoners of Concern
- Human Rights and Climate Change

ECONOMIC AND COMMERCIAL (Paragraphs 7-10)

- Exxon Investment on Hold
- Self-Help School Inauguration
- Workers Lobby for AGOA
- Economy Heading Into Recession

END SUMMARY

POLITICAL

¶12. (SBU) NEGOTIATIONS IN ADDIS ABABA: Leaders from Madagascar's four main political movements will meet in Addis Ababa from November 3 to 5 to resume negotiations aimed at ending the current political impasse and launching a consensus transition government as soon as possible. Although African Union mediator Ablasse Ouedraogo has presented the talks as a largely technical exercise to formally divide up the remaining positions under the August 9 Maputo accords, Ravalomanana's continued public refusal to accept Rajoelina as President of the Transition remains a possible deal-breaker. See Antan 752 for further information.

¶13. (SBU) ELECTION SUPPORT: The UNDP and the European Union have begun joint planning for eventual support of elections, starting with an evaluation mission to assess needs. Work has begun drafting terms of reference for collaboration on the series of elections expected to take place over the course of the transition, in the next 12 months. An initial meeting on October 21 indicates that a number of western diplomatic missions intend to provide coordinated support on a range of issues, including voter registration, reform of the GOM's electoral system, and monitoring of the elections themselves. If the four movements are unable to agree upon a consensus transition government this week in Addis Ababa, however, the evaluation mission may be postponed. On the other hand, UN mediator Drame told the Ambassador October 30 that UN Under

Secretary-General Lynn Pascoe already had approved sending the UN team immediately in order not to lose further time, even absent a transition government.

¶4. (SBU) COMPETING PRIME MINISTERS - OLD, NEW, AND INTERIM: The State Council has rejected former Prime Minister Roindefo Monja's request to suspend the nomination of Prime Minister Eugene Mangalaza (nominated at the October 6 ICG-M meeting), stating that it lacks jurisdiction over the case. The decision remains controversial, with opposition suggesting that the Minister of Justice may have influenced the ruling with her frequent media appearances insisting on the incompetency of the council in this matter. Monja's lawyers have said that they were surprised, but will respect the decision; Monja himself has declared that he will stay on until there is a signed agreement from the four movements. In the meantime, current Deputy Prime Minister of the Interior, Cecile Manorohanta, is serving as acting Prime Minister, while Mangalaza remains abroad after departing for talks in Geneva in October that were ultimately cancelled. Staff from the PM's office have moved to the Ministry of the Interior to demonstrate their independence from Monja, and at present appear to be taking orders from Manorohanta. (Further complicating matters, Ravalomanana's Prime Minister Manandafy Rakotonirina still also claims that he is the legitimate holder of that office...)

¶5. (SBU) PRISONERS OF CONCERN: Raharinaivo Andrianantoandro, detained since September 15 for his alleged connection to attempted bombings in Antananarivo, was transferred to HJRA hospital in late October for "high blood pressure". He has already undergone two court hearings since his arrest, but has not yet been formally charged. Ralitera Andrianandraina (former head of security at the High Constitutional Court, detained since April 27) remains in

ANTANANARI 00000753 002 OF 002

prison, but press reports indicate that his case may benefit from increased attention from the French government, due to his dual French/Malagasy nationality. There have been no new arrests in recent weeks, but the continuing detention of these two individuals (and a few others) is in direct contravention of the Maputo accords.

¶6. (SBU) HUMAN RIGHTS AND CLIMATE CHANGE: The October session of the embassy's monthly Human Rights Working Group focused on the human impacts of climate change that can seriously affect an individual's right to life. Discussing the local and global causes of climate change, the two speakers asserted that the Malagasy people are already experiencing the direct human impacts of climate change, namely flooding in the country's rice granary, rapid reduction of water resources, and more intense drought in the south. They highlighted reduced carbon dioxide emissions and reforestation as a means to address these problems in Madagascar.

ECONOMIC AND COMMERCIAL

¶7. (SBU) EXXON ON HOLD: Exxon Manager David Wilkins, based in London, told the Ambassador October 29 that Exxon would like to retain its licenses for three offshore blocks in Madagascar, but will continue to follow a wait-and-see approach until a more stable, internationally recognized government is in place. Two of the three licenses have already expired, and the third is set to expire before ¶2011. According to Wilkins, Exxon could not begin drilling before 2011 at the earliest, so will seek extensions on all the blocks. Wilkins expressed concern that Chinese firms may seek to acquire their blocks, even though the firms probably lack the technical capacity to exploit them. If Exxon does decide to develop its blocks, Wilkins anticipated long delays obtaining necessary environmental permits due to red tape and a pending environment ministry investigation of whale strandings that occurred last year.

¶8. (SBU) SELF-HELP PROGRAM: On October 24, 2009 two embassy employees attended the inauguration of a school supported by the Ambassador's Special Self-Help program. La Colombe Bembaray, a private primary school in the Alaotra Mangoro region of Madagascar,

was awarded USD 5,000 in October 2007. The school used the grant to repair an older classroom, build and furnish a new classroom, install a water tower with a pump, and build latrines and a shower stall.

¶9. (SBU) WORKERS CONTINUE THEIR LOBBYING TO AVOID AGOA INELIGIBILITY: On October 23, the workers committee for the protection of AGOA (AGOAKMM) launched another appeal to the politicians and civil society to take the necessary steps to maintain Madagascar's AGOA eligibility. AGOAKMM pointed out that tens of thousands of jobs and the lives of 500,000 people would be affected by the loss of AGOA benefits.

¶10. (SBU) ECONOMY HEADING INTO RECESSION: The World Bank reported in October that the country is continuing its economic downfall owing to the political uncertainty. Because of reduced revenue collections, the government increased borrowing from the domestic banking system and continued to limit public spending. The Ariary depreciated further due to lower capital inflows and export receipts. Both exports and imports declined, suggesting a slowdown in economic activity. The World Bank concluded that the country is heading into recession, which may be compounded if EU aid is terminated after November 6 under Article 96 of the Cotonou Accord -- and by later AGOA decisions.

MARQUARDT